

Closing the Gap

How employers
can change the way
young people see
Apprenticeships

Talking Points

Education
AND
Employers
RESEARCH



Contents

<i>Introduction</i>	1
<i>Limiting, risky and second best but... intriguing: how young people view Apprenticeships</i>	3
<i>Challenging perceptions, growing demand: three practical steps to take</i>	6
<i>How can you inspire the future?</i>	9
<i>Conclusion</i>	11
<i>References</i>	12
<i>About PwC</i>	13
<i>About the Education and Employers Taskforce</i>	13
<i>About the authors</i>	14
<i>Contacts</i>	15

Introduction

Today, young people in the UK face a challenging job market for a wide range of reasons. One key reason is an uneven fit between their interests, the qualifications and knowledge they possess, and what different prospective employers really want of their new recruits.

In other countries, where the relationship between the classroom and workplace is stronger, the school-to-work transition is easier. A key element which differentiates young people's experience in those countries is the existence of robust Apprenticeship systems.

There, strong Apprenticeship systems work for both employers and young people. The benefits to employers are proven, such as increased productivity, ability to recruit talent and development of the skills needed for growth. In the UK, significant Government investment in recent years is beginning to result in more employers turning to Apprenticeships as a new model for recruitment and development of talent, especially in 'white collar' occupations where the model is relatively unexplored.

CEOs and business leaders consistently identify workforce skills among their top priorities. In PwC's 2012 Global CEO survey, creating a skilled workforce was the number one investment priority for CEOs globally. Those surveyed were equally clear that, to address the talent challenge, they need to use new models for recruitment and development – and new talent pools. Apprenticeships are an example of the move towards new models, as they create different entry routes that are attractive and accessible to a broader and more diverse talent pool, and enable employers to better develop a workforce with the skills they need for the future.

One example of this is the new Professional Services Higher Apprenticeship that PwC has developed, in collaboration with over 40 other employers, which broadens access into audit, tax and consultancy occupations. It is the first framework to be designed by employers, for employers, and it demonstrates that businesses are starting to respond to the need to recruit and develop talent in a different way.

But for young people, when it comes to understanding Apprenticeships as a career option, an information gap separates what young people know and think and what employers want and need them to understand. There are several key steps employers can take to close the gap, which we consider in this Talking Points publication. Employers have a real role to play in closing this information gap, and stand to gain the benefits of doing so. They are perfectly placed to work with schools and colleges, at minimal cost, to give young people access to relevant, reliable information about the workplace, to inspire and inform their career choices and improve awareness of alternatives to university, such as Apprenticeships. In return, employers can help to secure the flow of talent that will underpin their growth.

What is an Apprenticeship and what are the benefits?

An Apprenticeship is a mix of real work, and on and off-the-job learning. Apprentices earn a wage and gain real work experience, while working towards a nationally recognised qualification. Apprenticeships can take between one and four years to complete, depending on the level of the Apprenticeship, the Apprentice's ability and the industry sector. They are available at a number of levels, rising in difficulty from Intermediate, to Advanced, to Higher Apprenticeships.

There is a strong business case for employers to offer Apprenticeships, because of the numerous benefits they bring. Apprenticeships enable employers to access new talent pools as they develop the workforce they need to grow, creating a strong talent pipeline for the future. They are also a good way of diversifying the workforce, as broadening access routes to work will attract a wider range of people. A diverse workforce brings different skills, experiences and ideas to business issues, which deliver proven benefits for employers.

Having Apprentices as employees also makes for greater productivity and contributes to a motivated and satisfied workforce. Recruiting and championing Apprenticeships also enables businesses to make a contribution to local communities in which they operate, and fosters social mobility. Substantial support from Government subsidises the training costs for Apprentices, and the National Apprenticeships Service also helps employers to fill their Apprenticeship vacancies.

Apprenticeships work for young people too, by giving them an alternative route into work. They will gain a nationally recognised qualification, work experience and get paid at the same time as studying. An Apprenticeship gives them a strong foundation of transferable skills, on which to build through Higher Education and further studying, or by progressing to other jobs.

Limiting, risky and second best but... intriguing: how young people view Apprenticeships

Over the last five years, a series of studies has revealed a consistent picture of the way young people view Apprenticeships. Young people's understanding of what Apprentices are is hazy. There is a default view that Apprentices are stereotypically male, and are narrow in terms of the vocational or occupational choices available. When pressed, young people express serious concerns that following an Apprenticeship will limit or risk their career prospects; yet they are intrigued by the idea of an earn-and-learn model of training to take them into adult life.

Limiting: A common misconception of Apprenticeships is that they may limit future careers choices and academic progression. A great attraction of university study is that career decisions can be deferred, while knowledge and skills which are widely assumed to increase employability are developed. Asked what would make Apprenticeships more attractive, a majority of young people say they would be more likely to apply if they thought they would not be tied down to a particular job in the future or if the Apprenticeship provided an ultimate route to university.

Risky: The perception that Apprenticeships can limit future employment opportunities make them appear a risky prospect to many young people. This is reinforced by a widespread misunderstanding that Apprenticeships are what you do if you do not get the grades to progress academically: a second-best option. Moreover, young people are unsure how positively employers really see Apprenticeships. A specific risk is evident for young women. With Apprenticeships seen as largely a male preserve, a key concern among potential female Apprentices is that non-traditional workplaces will be unfriendly towards them.

Intriguing: And yet there is a high, and growing, interest in the idea of Apprenticeships. Large majorities of teenagers surveyed like the idea of jobs which have structured training and want to know more. In the new era of university fees, growing numbers of young people are interested in going straight into the workforce from school or college, bypassing higher education.

Improving access to information

Access to reliable information can transform the way in which young people make decisions. Young people often have a limited understanding of local job markets, and yet we assume that they will make optimal choices in their pursuit of the qualifications and training necessary to build their careers. But they can only do this effectively if they have access to the right information, which employers are ultimately better placed to provide than teachers and schools.

Teachers and Apprenticeships

Teachers are potentially an influential source of information about Apprenticeships, but they often do not have the knowledge to direct prospective pupils towards Apprenticeship routes. The Education and Employers Taskforce and the Times Educational Supplement (TES) in 2012 asked secondary school teachers how confident they were about advising young people on what an Apprenticeship is and how to go about getting one. 52% were 'not at all confident' about advising young people on Apprenticeships.

Wider survey work by the Edge Foundation has highlighted that teachers underestimate the extent to which parents, young people and employers value Apprenticeships as a realistic alternative to academic study. Such polling reveals a teaching workforce with limited understanding of Apprenticeships, but a desire for young people to access

more informed knowledge about what they are and how to secure one. Young people would benefit from better knowledge about Apprenticeships as an alternative career option, which would enable them to more effectively seek support on how to access them. Although career professionals do play key roles in advising young people about Apprenticeships, the same TES/Taskforce survey showed that 80% of career professionals thought it 'very important' for pupils to hear directly from employers/employees about jobs and careers, a finding which is consistent with many other studies. This is why employers are uniquely well situated to work with teaching staff and careers professionals to give young people the information they need to think broadly and confidently about their futures.

Learning from good practice: a case study from Switzerland

Research by the Organisation for Economic Co-operation and Development (OECD) has shown that where study and work for young people are combined, and robust Apprenticeship systems are in place, they successfully combat youth unemployment. But in the UK, a much lower proportion of young people follow an Apprenticeship compared to other European economies. This represents an opportunity to learn from practices in other countries to better inform young people about Apprenticeships and what they have to offer.

The Swiss Apprenticeship system is widely regarded as the best in the world. Two-thirds of Swiss teenagers follow programmes in vocational and technical education, typically through formal Apprenticeships, which are offered by one-third of Swiss companies. Swiss employers are confident that Apprentices pay their way by increasing productivity, completion rates are very high and progression on to continuing professional education at university level is

commonplace. What is interesting about the Swiss system is the strategic way in which young people are exposed to potential Apprenticeship employers while still at school, so that they can make informed, successful decisions about their futures.

In contrast to the UK, where periods of work experience have been designed to give young people a generic taste of the workplace, in Switzerland work experience is very much about career exploration. It is a taste of a potential future. Preceded by careers fairs and half-day workplace visits, the aim of the Swiss system of work experience is to place young people with employers able to offer Apprenticeships. During placements, a pupil can expect interview practice and to spend time with an older worker close to completion of their own Apprenticeship. Multiple placements are common, some in term time, some during holidays, often of one or two weeks duration. For young people, the experience gives them confidence that they are making the right choices. For employers, it is an opportunity to demonstrate the real nature of the Apprenticeship. It is a system that works: 61% of Swiss teenagers

are offered an Apprenticeship place by an employer with whom they had undertaken a work experience placement while still at school.

Judith Compton, Assistant Director at the UK Commission for Employment and Skills, reflecting on a recent study visit to Switzerland, states: “People around the world regard the Swiss model of Apprenticeship as world-beating. One of the things that make it so good is its strategic approach to initial Apprentice recruitment. Employers work closely with schools to make sure that young people have a real understanding of what their Apprenticeships have to offer. Young people in Switzerland go into Apprenticeships with their eyes open, and employers get better recruits. Such effective recruitment strategies play a key role in explaining the high retention and success rates of Swiss Apprentices.”

Challenging perceptions, growing demand: three practical steps to take

There are three steps that employers can take to address the information gap, challenge perceptions and provide young people with practical support to help them get into Apprenticeships which match their interests, skills and ambitions.

1. Attend careers fairs and give careers talks

Strong evidence suggests that employers of all types and sizes are keen for their staff to speak to school pupils – for example through initiatives like Inspiring the Future, which matches schools with willing volunteers from employers. Careers talks or careers fairs are opportunities for businesses to communicate key information about themselves, including how an individual could go about joining the company.

First-hand exposure to employers can be the most effective means by which young people can explore career ambition and understand the qualifications and experience which are most highly valued by prospective employers. If an employer takes Apprentices, a careers talk is a great way to let young people know that this is an option. Encouraging a current or recent Apprentice to give the careers talk themselves is an even better way to inspire and inform young people about the Apprentice options open to them.

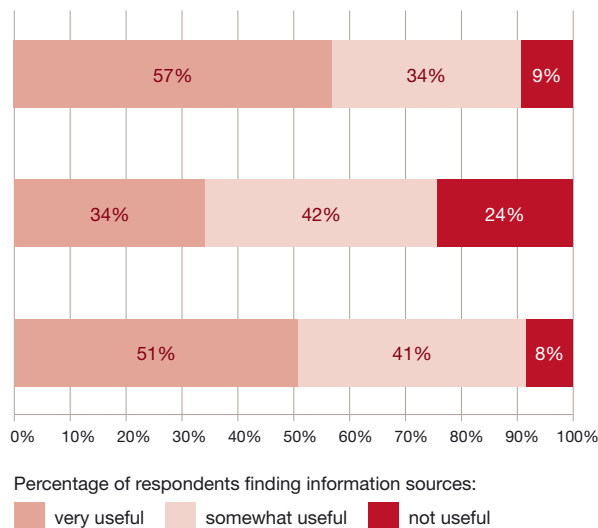
There is evidence that young people are particularly respectful of, and attentive to, working people they come into contact with. They see them as being able to provide honest, reliable information, prompting them to think more widely about career aspirations. Young people listen to them in a different way to teachers and parents: 88% of young adults who heard from three or more employers about careers while at school say it helped them decide on a career, with 28% saying it helped a lot, but just 11% had the opportunity to hear from at least three working professionals before leaving school or college.

Perceptions of Young People (aged 12-16) on the Usefulness of Different Sources of Information Experienced in Influencing Career Choices

School-Mediated Workplace Contacts (average perception of 4 information sources: meeting an employer; attending career fairs/exhibitions; talk to students who are in college/university or employment; work experience)

Public Information (average perception of 4 information sources: books/magazines/newspapers; websites/online sources; tv and radio; company/university brochures)

Close Ties (average perception of 2 information sources: parents/guardian; friends/other relatives)



Source: B-Live Foundation
 Fieldwork: 2012, 469 respondents

2. Offer work experience or job shadowing

Employers are well positioned to work with schools to support their pupils in progressing successfully to an Apprenticeship. Ofsted has shown that young people who undertook work experience or employment tasters related to Apprenticeships while still in school make much better progress than peers lacking the experience – they are retained for longer and more of them complete their Apprenticeship successfully. Many employers know this already: half of hairdressing firm Sassoon’s Apprentices did a work experience placement with the company while still in school. Such practice needs to become widespread.

A key element of any employer’s talent pipeline strategy should be to raise awareness of Apprenticeship routes, such as by giving careers talks in schools, and following this up with work experience or job shadowing to give a realistic insight into what the prospective Apprentice can expect.

3. Bring recruitment processes to life

By engaging with schools, employers are able to close the information gap for young people about what different Apprenticeships can offer, and how to best prepare themselves for success in applications. By making recruitment requirements as transparent as possible and using language that young people can easily understand, employers can help themselves by increasing the flow of young people with the right balance of skills, qualifications and experience. Short videos, examples of which are available on the National Apprenticeships Service website, of recent Apprentices talking through entry requirements as well as pay and conditions, training and progression opportunities help to bring Apprenticeships to life for employers. More effectively still, mock interviews in schools or at the end of work experience placements bring home to pupils themselves what they really need to do to make the grade.

The value of employer engagement in supporting the effective transitions of young people from education into work is widely endorsed by highly regarded international commentators. The OECD argues that employer contacts are integral to effective careers guidance and states that “schools should encourage an understanding of the world of work from the earliest years, backed by visits to workplaces and workplace experiences.”

What difference does it make?

To be truly effective, employer contacts with young people have to be situated within a coherent programme of careers support where professional advice and access to up-to-date materials supplement first-hand insights into the working world. Contact with employers while at school has a significant impact on employment options for young people, as research by the Education and Employers Taskforce has shown. Young adults aged 19-24 who recalled four or more contacts while at

school are five times less likely to be not in education, employment or training (NEETs), and if in full-time employment, earning 18% more than their counterparts who recalled no contacts. By engaging with employers while still at school, young people better navigate their way through the system and end up with employers who most value their skills, attitudes and ambitions.

How can you inspire the future?

For employers wanting to take the first practical step and start giving careers talks, Inspiring the Future can help. It is a free service which allows state schools and colleges to connect with employee volunteers willing to speak to young people about the jobs they do and the routes they took into them. It is particularly relevant for raising awareness about Apprenticeships, as, when registering, organisations are asked to disclose their interest in Apprenticeships, making it easy for schools and colleges to find the right people. Inspiring the Future works for organisations of any size, and can be integrated into Corporate Social Responsibility (CSR) programmes. The scheme is all about making it easy for teachers to find people to give informed careers insights to pupils. Find out more at www.inspiringthefuture.org

The employer perspective on Apprenticeships and Inspiring the Future:

David Way, Chief Executive, National Apprenticeship Service (NAS)

“We know that young people who have had work experience, workplace visits and careers talks at school, are much more likely to be successful in securing an Apprenticeship. This is because, quite simply, they have a much better understanding of what the world of work and an Apprenticeship has to offer. These types of school-age employer contacts make a real difference to the employment prospects of young people and pay handsome dividends to employers seeking out the best of young talent.”

Sir Roger Carr, President, CBI and Chair of Centrica

“Inspiring the Future has the strong support of the CBI because it is a primary means of giving young people real insight into the growing range of jobs which are available and how they can best prepare themselves for them.”

The Apprentice perspective

Nana Bonsu, Fashion Design Apprentice at fashion design consultancy Anthony Vrahimis Ltd

“I believe it is important that young people get a first-hand account of what an Apprenticeship is really like. It is beneficial to hear about another route to progressing in a career of their choice, other than college or university, so that they are well informed to make a decision.”

Laurie-Ann Benner, Reliability Engineer Apprentice at engineering services company PEME

“The main purpose [of career events] is to ensure young people know all the career possibilities that are open to them, and the feedback from the talks is always very positive with some students attending college open days and taking on different subjects based on the information given to them.”

Case study: PwC

PwC has a strong track record in recruiting school-leavers into our audit and tax businesses and, in autumn 2012, we welcomed our first Higher Apprentices into the tax and consulting businesses. The firm is focused on building relationships with schools through our Corporate Social Responsibility programme, offering CV workshops and skill development sessions, as well as information events about what it is like to work at PwC. We have also signed up to the Inspiring the Future programme, amongst other CSR initiatives, which will match PwC volunteers from our tax and consulting practices, to state secondary schools and colleges, where they will talk about their jobs, careers, and the education or training they undertook. Volunteers and schools will be connected across the UK, opening up opportunities for volunteers from across the firm’s 35 offices nationwide bringing work and study options to life for young people.

Gaenor Bagley, head of people, PwC said:

“

This is a simple idea, with far-reaching consequences. We have to demystify the world of work, business and what young people’s options are for study, if we are to realistically attract a wider range of people to the professions.

“My own experience back in the classroom shows this will also be a great opportunity to help teachers and education bring subjects like maths, english and science to life for students. Seeing how these subjects and skills can be used in everyday work, and where these subjects can go in terms of jobs, breaks down misconceptions about access and opportunity.

“The routes into work and training are changing. By expanding young people’s knowledge of those routes into work, we can help them to consider alternatives to university, such as Apprenticeships, and offer access to our profession to a broader range of people.”

Conclusion



The school-to-work transitions of young people in the UK are becoming more difficult; one of the primary obstacles is the lack of knowledge of the depth and breadth of opportunities open to them and what they need to do to compete for available jobs.

Employers themselves face specific challenges because young people know little about Apprenticeships and suspect that they may limit their career ambitions and risk their future prospects. However, there are strong business benefits for employers who take on Apprentices, and support for the Apprenticeship model of recruitment is growing amongst UK employers.

The world's best Apprenticeship systems routinely connect employers with young people while they are still in full-time education. Employers must take the opportunity to work with schools to give young people better access to the information they need to make informed and confident decisions about their futures, and support them to become excellent applicants for Apprenticeship vacancies.

There is also good evidence to show that both employers and schools stand to gain by working together more closely, especially if it is free and easy for them to do so through initiatives like Inspiring the Future.

Government investment in Apprenticeships, such as the introduction of Higher Apprenticeships, signals a new ambition for pathways into the working world which allow young people to earn as they learn. This gives employers the chance to change attitudes about the opportunities presented by Apprenticeships, but could also run the risk of further confusing young people about the options that are available. They need to recognise how young people make decisions about their futures and act to give them the information they need in ways that are proven to work best. The costs are low, but there is much to gain for both employers and young people, as Apprenticeships help to secure a strong talent pool for the UK, now and in the future.

References

- Beck, V., Fuller, A. & Unwin, L. (2006) "Increasing risk in the 'scary' world of work? Male and female resistance to crossing gender lines in apprenticeships in England and Wales", *Journal of Education and Work*, 19 (3): 271-289
- Beck, V., Fuller, A., Unwin, L. (2006) "Safety in stereotypes? The impact of gender and 'race' on young people's perceptions of their post-compulsory education and labour market opportunities" *British Educational Research Journal*, 32 (5): 667-686
- Hoeckel, K., Field, S. & Grubb, W. (2009), *OECD Reviews of Vocational Education and Training: A Learning for Jobs Review of Switzerland 2009*. Paris: OECD Reviews of Vocational Education and Training, OECD Publishing
- Hoffman, N. (2011), *Schooling in the Workplace: How Six of the World's Best Vocational Education Systems Prepare Young People for Jobs and Life*. Cambridge, Massachusetts: Harvard Education Press
- Lanning, T. & Rudiger, K. (2012) "Youth unemployment in Europe: Lessons for the UK" London: Institute for Public Policy Research (IPPR)
- Learning and Skills Council (LSC) (2008). *Research into Expanding Apprenticeships*. Coventry: LSC
- London School of Economics and Political Science: Centre for Economic Performance (2010). *The state of apprenticeship in 2010 – International comparisons: Australia, Austria, England, France, Germany, Ireland, Sweden and Switzerland*. London: Apprenticeship Ambassadors Network
- Office for Standards in Education, Children's Services and Skills (Ofsted). (2012). *Apprenticeships for Young People*. Ofsted: Manchester,
- Office for Standards in Education, Children's Services and Skills (Ofsted). (2011). *Girls' Career Aspirations*. Ofsted: Manchester
- Organisation for Economic Co-Operation and Development (OECD) (2010). *Learning for Jobs: OECD reviews of vocational education and training*. Paris: OECD Publishing
- Organisation for Economic Co-Operation and Development (OECD) (2010). *Off to a Good Start? Jobs for Youth*. Paris: OECD Publishing
- Patel, R. (2012) "Are we there yet?: Vocational education at crossroads" *Local Economy*, 27(3): 227-231
- YouGov (2010), *EDGE Annual Programme of Stakeholder Research: Business in Schools*. London: Edge Foundation.
- YouGov (2012), *Edge Teacher survey: report*. London: Edge Foundation.

About PwC

At PwC we focus on three things for government and the public sector: assurance, tax and advisory services. Working together with our clients across local government, health, education, transport, home affairs, housing, social care, defence and international development, we look for practical, workable solutions that make a difference in solving the pressing challenges that are being faced every day.

As well as bringing our insight and expertise to this sector, we contribute our thinking and experience to the public policy debate through our Public Sector Research Centre. To join this free online community, go to www.psrc.pwc.com and register today for our research and analysis.

About the Education and Employers Taskforce

The Education and Employers Taskforce is an independent charity launched in 2009. It brings together an unprecedented alliance of organisations from education and employment to drive the pace of change and give all young people better access to training, further education and employment opportunities. The founding vision of the Taskforce is to *“ensure that every school and college has an effective partnership with employers to provide its young people with the inspiration, motivation, knowledge, skills and opportunities they need to help them achieve their potential and so to secure the UK’s future prosperity.”*

To ensure equity, an underlying principle of the charity is that it doesn’t charge state schools or colleges for services provided to them; similarly it doesn’t charge organisations that seek to offer their staff to volunteer. The Taskforce bases policy and programmes on insights from the most rigorous up-to-date research from around the world. Simultaneously, we are removing the bureaucracy and complexity associated with volunteering in schools through one of our programmes Inspiring the Future.

Visit: www.educationandemployers.org and www.inspiringthefuture.org

About the authors

Dr Anthony Mann

+44 (0) 203 206 0510

anthony.mann@educationandemployers.org

Anthony Mann is Director of Policy and Research at the Education and Employers Taskforce. He is a former Whitehall civil servant and has worked extensively on employer engagement in education, publishing widely on the impact and effective delivery of provision. He is an Associate Fellow of the Centre for Education and Industry at the University of Warwick and sits on advisory boards for the Institute of Education and National Foundation for Educational Research.

Sara Caplan

+44 (0) 191 269 4290

sara.caplan@uk.pwc.com

Sara Caplan is a Partner, responsible for leading PwC's Consulting work in the education and skills arena. She worked for 10 years in the FE/HE sector both as Head of the Business School and Director of Registry in a mixed economy College.

Sara leads a number of our education and skills-related programmes including: Achievement for All, a programme designed to raise attainment levels in schools in England, focusing on pupils with SEND, and the development of the Higher Apprenticeship Framework for the Professional Services sector, which will include routes for audit, tax and advisory and the Employer Ownership of Skills programme for Professional Services. Sara is an employer champion for Higher Level Apprenticeships and advises on skills policy on an all-party basis. She is a member of the National Skills Forum and speaks on skills issues extensively on a national basis.

Contacts

National Education Practice Leaders

Head of the National
Education Practice
John Berriman
020 7213 4656
john.berriman@uk.pwc.com

Audit and Assurance
Ian Looker
0113 288 2019
@uk.pwc.com

Business Recovery Services
Quentin Cole
020 7212 6784
quentin.r.cole@uk.pwc.com

Consulting
Sara Caplan
0191 269 4290
sara.caplan@uk.pwc.com

Corporate Finance
Ray Mills
0191 269 4284
ray.mills@uk.pwc.com

Finance and Accounting
Rachel Taylor
020 7212 3698
rachel.z.taylor@uk.pwc.com

Forensic Services
Michael Lowe
0161 245 2646
michael.b.lowe@uk.pwc.com

Human Resource Services
Ian Tomlinson-Roe
020 7213 1644
ian.tomlinson-roe@uk.pwc.com

Regions
Roger Marsh
0113 289 4365
roger.marsh@uk.pwc.com

Tax
Richard Wallace
0121 265 5904
richard.m.wallace@uk.pwc.com

Transaction Services and Due
Diligence
Philip Bloomfield
020 7804 4904
philip.bloomfield@uk.pwc.com

Regional Education Practice Chairs

North
Roger Marsh
0113 289 4365
roger.marsh@uk.pwc.com

Midlands
Michael Kitts
01509 60 4025
michael.kitts@uk.pwc.com

London
Daniel Earle
020 7212 2536
daniel.b.earle@uk.pwc.com

South East
Clive Everest
020 7213 5497
clive.m.everest@uk.pwc.com

Wales and South West
Lynn Hine
029 2080 2390
lynn.m.hine@uk.pwc.com

Scotland
Paul Brewer
0131 260 4263
paul.k.brewer@uk.pwc.com

Northern Ireland
Martin Pitt
028 9041 5403
martin.h.pitt@uk.pwc.com

Join the debate. www.psrc.pwc.com

The Public Sector Research Centre is PwC's online community for insight and research into the most pressing issues and challenges facing government and public sector organisations, today and in the future.

The PSRC enables the collaborative exchange of ideas between policy makers, opinion formers, market experts, academics and practitioners internationally.

To register for this free resource please visit www.psrc.pwc.com

www.pwc.com/localgovernment
Follow us @pwc_ukgov